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**SERVING PEOPLE DISTRICT 40  
FINANCIAL REPORT  
YEAR ENDED  
DECEMBER 31, 2008**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8/19/09

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RICHARD C. URBAN

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Serving People District 40, Inc.  
Opelousas, Louisiana

We have audited the accompanying statement of financial position of Serving People District 40, Inc. (a nonprofit organization) as of December 31, 2008, and the related statements of activities, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

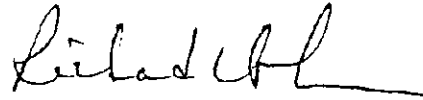
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Serving People District 40, Inc. as of December 31, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated June 23, 2009, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying budgetary information schedule on page

10 is presented for purposes of additional analysis as required by the Government Accounting Standards Board, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink, appearing to read "Richard C. Urban", with a long horizontal flourish extending to the right.

Richard C. Urban, C.P.A.

Opelousas, Louisiana  
June 23, 2009

SERVING PEOPLE DISTRICT 40, INC.  
(A Non-Profit Organization)  
STATEMENT OF FINANCIAL POSITION  
December 31, 2008

ASSETS

CURRENT ASSETS

Cash \$ 2,737

TOTAL ASSETS 2,737  
=====

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Grant reimbursement due to State of Louisiana 2,737

NET ASSETS

Unrestricted -

TOTAL LIABILITIES AND NET ASSETS 2,737  
=====

See accompanying notes to financial statements.

SERVING PEOPLE DISTRICT 40, INC.  
(A Non-Profit Organization)  
STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2008

REVENUES	
State Community Assistance Grant	\$ 300,000
Less portion to be refunded	( <u>2,737</u> )
Total revenue	297,263
EXPENSES:	
Salaries and benefits	78,558
Operating services	5,771
Office supplies	1,957
Accounting services	2,400
Donations to other non-profit organizations	196,097
Other charges	483
Equipment purchase and repairs	<u>11,997</u>
Total expenses	<u>297,263</u>
Operating income (loss)	-
Change in net assets	-
Total net assets, beginning	<u>-</u>
Total net assets, ending	- =====

See accompanying notes to financial statements.

SERVING PEOPLE DISTRICT 40, INC.  
STATEMENT OF CASH FLOWS  
Year Ended December 31, 2008

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from grants and others	\$ 300,000
Cash payments to organizations and suppliers	<u>&lt;297,263&gt;</u>
Net cash provided (used) by operating activities	<u>2,737</u>
NET INCREASE IN CASH	2,737
CASH, beginning of year	<u>-0-</u>
CASH, end of year	<u>2,737</u> <u>=====</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Net operating income (loss)	< 0>
Adjustments to reconcile operating income )loss) to net cash provided (used) by operating activities:	
Increase in due to affiliated organizations	<u>2,737</u>
Total adjustments	<u>2,737</u>
Net cash provided (used) by operating activities	<u>2,737</u> <u>=====</u>

See accompanying notes to financial statements.

SERVING PEOPLE DISTRICT 40, INC.  
(A Non-Profit Organization)  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2008

INTRODUCTION

Serving People District 40, Inc. (SP40) is a nonprofit corporation organized under Louisiana law to provide needed services to the citizens of Louisiana District 40. The programs of the organization are designed to assess and meet the needs of the citizens of District 40 through distributions to qualified tax-exempt organizations. The programs and related distributions are designed to promote the health, security, happiness, well-being, and usefulness of the citizens of District 40.

The Organization is administered by an eight-member board of directors. Members of the board serve indefinite terms.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Serving People District 40, Inc. prepares its financial statements in conformity with accounting principles generally accepted in the United States of America. The financial statements are prepared on the accrual basis of accounting.

The following is a summary of certain significant accounting policies.

**Income Taxes**

The Organization is tax exempt under Code Section 501c(3) of the Internal Revenue Code.

**Compensation of Board Members**

All board members serve without compensation.

**Cash Equivalents**

For the statement of cash flows, all unrestricted investment instruments with original maturities of three months or less are cash equivalents. The Organization has no cash equivalents at December 31, 2008.

**Prepaid expenses**

Prepaid expenses include items paid for in advance that will benefit or are associated with another period.



SERVING PEOPLE DISTRICT 40, INC.  
(A Non-Profit Organization)  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2008

NOTE 2 UNRESTRICTED NET ASSETS

None of the Organization's net assets are subject to donor-imposed restrictions. Accordingly, all net assets are accounted for as unrestricted net assets under SFAS No. 117.

RICHARD C. URBAN

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To the Board of Directors  
Serving People District 40, Inc.  
Opelousas, Louisiana

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

We have audited the financial statements of Serving People District 40, Inc. as of and for the year ended December 31, 2008, and have issued our report thereon dated June 23, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Organization's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Organization's financial statements that is more than inconsequential will not be prevented or detected by the Organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of

the financial statements will not be prevented or detected by the Organization's internal control. Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Serving People District 40, Inc. financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended for the information of the Board of Directors, management, and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Richard C. Urban, CPA

Opelousas, Louisiana  
June 23, 2009

SERVING PEOPLE DISTRICT 40, INC.  
(A Non-Profit Organization)  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
REVENUES			
Grants	\$300,000	\$297,263	\$ ( 2,737)
EXPENSES			
Salaries and benefits	78,940	78,558	382
Operating services	5,900	5,771	129
Office supplies	1,970	1,957	13
Accounting services	3,000	2,400	600
Distributions to other organizations	199,100	196,097	3,003
Other charges	2,090	483	1,607
Equipment purchase and repairs	<u>12,000</u>	<u>11,997</u>	<u>3</u>
	<u>300,000</u>	<u>297,263</u>	<u>2,737</u>
NET PROFIT (LOSS)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>

See accompanying notes to financial statements.